Indian and Northern Affairs Canada
Affaires indiennes et du Nord Canada

Indian and Northern Affairs Canada and Canadian Polar Commission

PERFORMANCE REPORT

For the period ending March 31, 2008

Canada

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Minister's Message

On behalf of Indian and Northern Affairs Canada (INAC), the Canadian Polar Commission, I am pleased to present the *2007–2008 Departmental Performance Report*.

This year's report reflects our determination to improve the quality of life of Northerners and Aboriginal people in Canada. As you will see in this report, our Government's collaborative approach has already produced several important breakthroughs. We have made significant progress in child and family services, housing, and in drinking water systems in First Nations communities.

In support of our Northern Strategy, we continued our efforts to develop the tremendous potential of Canada's North — improving infrastructure, supporting Northern science research and harnessing the North's vast resources in a way that is environmentally sustainable, as well as good for the economy and Northerners.

While this report highlights our performance, the many successes of our partners should also be recognized. Aboriginal people and Northerners are taking more control over their social, political and economic affairs in order to participate more fully in our nation's prosperity. I am proud of the ways we have supported this important goal in 2007–2008.

It is also important to acknowledge the challenges that remain, that more progress is needed and that this can only be achieved through ongoing cooperation with our many partners. With this cooperation, we are determined to create the necessary conditions for all Aboriginal people and Northerners to secure a higher standard of living and quality of life.

The Honourable Chuck Strahl
Minister of Indian Affairs and Northern Development
and Federal Interlocutor for Métis and Non-Status Indians

Section 1
Agency Overview

■ Summary Information

Raison d'être

Indian and Northern Affairs Canada (INAC) supports Aboriginal people (First Nations, Inuit, and Métis) and Northerners in their efforts to:

- improve social well-being and economic prosperity;
- develop healthier, more sustainable communities; and
- participate more fully in Canada's political, social, and economic development — to the benefit of all Canadians.

The **Canadian Polar Commission** leads Canada's polar research and strengthens Canada's international reputation as a circumpolar nation by promoting knowledge of the polar regions and their importance to Canada.

Context

Mandate, Roles, and Responsibilities

INAC is the lead federal government department responsible for coordinating and fulfilling the Government of Canada's obligations and commitments to Aboriginal people (First Nations, Inuit, and Métis), and in the North[1]. In addition, 34 federal departments and agencies have responsibilities and programs for Aboriginal people.

INAC's responsibilities for **Indian and Inuit Affairs** include:[2]

- negotiating land claim and self-government agreements with First Nations and Inuit, and overseeing settled claims on behalf of the federal government;
- facilitating economic development opportunities for Aboriginal individuals, communities, and businesses;
- delivering province-like services to Status Indians on reserves such as education, housing, community infrastructure, and social support;
- promoting improved federal services and policies for Inuit-specific concerns;

[1] Readers may wish to refer to INAC terminology found at http://www.ainc-inac.gc.ca/ap/tln-eng.asp.

[2] In June 2008 the Indian Residential Schools Resolution Canada became part of INAC. This organizational change will be reflected in INAC's Estimates documents for 2008–2009.

- promoting improved federal services for Aboriginal people who do not live on reserves, and serving as a point of contact between the Government of Canada and Métis, Non-Status Indians, and urban Aboriginal people (through the Office of the Federal Interlocutor for Métis and Non-Status Indians); and
- fulfilling duties under the *Indian Act*, such as managing Indian reserve lands and certain moneys belonging to First Nations, and approving or disallowing by-laws in First Nation communities.

INAC's responsibilities for **Northern Development** include:

- providing services such as managing contaminated sites and subsidizing nutritious perishable food;
- advancing Canada's circumpolar interests, such as Arctic sovereignty and environmental protection;
- managing resources, land, and environment across much of the North, except where these responsibilities have been transferred to territorial governments; and
- promoting political and economic development in Yukon, Northwest Territories, and Nunavut, including the transfer of federal responsibilities to territorial governments (known as 'devolution').

Increasingly, INAC is also responsible for planning and co-ordinating the development of government-wide policies for Aboriginal and Northern priorities. For example, INAC provides government-wide leadership on Aboriginal economic development and leads the overall development of the federal government's Northern Strategy, which is responsible for such key initiatives as the High Arctic Research Station. Under both mandates, INAC is actively involved in international indigenous and circumpolar activities with Aboriginal and Northern organizations, states, and international organizations.

INAC's Program Activity Architecture (see page 10) illustrates how these wide-ranging responsibilities are aligned with the strategic outcomes that support the Department's mandate.

The **Canadian Polar Commission** leads Canada's polar research and strengthens Canada's international reputation as a circumpolar nation. The Commission promotes knowledge of the Polar Regions and their importance to Canada, and it also provides polar science policy direction to government.

Operating Environment

INAC delivers programs and services to people with diverse needs...
First Nations, Inuit, Métis, and Northerners often have distinct priorities and needs which require specific approaches. In addition, federal legal obligations to each group vary.

... in diverse locations
INAC delivers programs and services to many Northern communities and First Nation communities in the South which are remote, ecologically sensitive, and/or have severe climates. INAC also delivers programs to Aboriginal people who live in or near urban areas, and to an increasing number who move to and from reserves.

...and in collaboration with, or through, a range of partners.
Most of INAC's programs — representing a majority of its spending — are delivered through partnerships with Aboriginal communities, federal-provincial or federal-territorial agreements, or formal bilateral or multilateral negotiating processes. The third-party nature of service delivery presents challenges to reporting on results.

Over 60 percent of departmental spending (5 of 17 program activities) is committed to basic services, such as education, social services, and community infrastructure to provide access to provincial-type services.

Risks and Challenges

INAC holds diverse and complex responsibilities which are shaped by centuries of history, and by unique demographic and geographic challenges. To find out more about demographic profiles of Aboriginal people and the North, visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/pro-eng.asp.

INAC's priorities, its performance, and how it delivers services is strongly influenced by Canada's changing social, economic, and political landscape. The brief explanation below of key factors helps readers understand how INAC's success in meeting its objectives depends on strong partnerships and action by a broad range of institutions and organizations over the long term.

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Claims Settlements 19%
North 4%
9 other program activities 16%
Education, Social Development, Community Infrastructure 61%

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Summary Information

Canada's Aboriginal population is young and growing.
One million people in Canada now self-identify as an Aboriginal person. The Aboriginal population is young and growing twice as fast as the overall Canadian population. These demographic trends result in more demand for schools, housing, public infrastructure, and the services INAC provides to young families.

This population growth is also an opportunity. Canada needs more workers to support economic growth. If properly supported through skills and education, Aboriginal employment can be an important solution. In addition, more Aboriginal businesses and communities are creating wealth and employment opportunities. They are creating partnerships and opportunities, and are essential to continued growth in major economic sectors. INAC continues to address these challenges and opportunities in an integrated way through its plans, policies, and programs.

Achieving social and economic progress is a lengthy process — but urgently needed.
Many Aboriginal people continue to experience much lower social and economic well-being compared with other Canadians. Aboriginal people tend to have lower levels of education, poorer health, and higher rates of unemployment. They also experience higher levels of violence, particularly Aboriginal women. Many First Nation and Inuit communities have insufficient, inadequate housing and unsafe drinking water. In 2007–2008 INAC addressed some pressing needs in this area.

Court rulings.
Supreme Court rulings continue to refine Aboriginal and treaty rights and, therefore, INAC's mandate. For example, recent decisions, like the Chicot and Dene Tha', are further clarifying which activities trigger the Crown's legal duty to consult in relation to Aboriginal and treaty rights, and how the Crown is expected to discharge this legal duty.

The North is important — to the economy, to the environment, and to sovereignty.
With world-class mineral, oil, and gas deposits, the North is a place of incredible opportunity for regional economies and as a source of revenue for governments. The North is also on the front line of climate change impacts and adaptation. The importance of the North to sovereignty continues to increase as sea ice melts and the opening of the Northwest Passage becomes a reality. INAC must balance the need to support the North's economic potential with sustainable development and environmental protection.

Overall Performance

Summary of Performance

On the whole, INAC achieved the results it planned to achieve in 2007–2008, recognizing that many challenges remain.

In many respects, this was an historic year for INAC, its partners, and the people it serves. Major land claim and self-government agreements were finalized and implemented, which strengthens the relationship between Aboriginal people and Canada, addresses historic injustices, and sets the conditions for economic and social development that benefits all Canadians. In addition, the *Specific Claims Tribunal Act* was introduced (and passed in June 2008). The Tribunal will bring greater fairness to the way First Nations' past grievances related to land, funds, or other assets (known as specific claims) are handled while also accelerating the resolution of these claims. A leader among participating countries, Canada helped launch International Polar Year, investing in research to address climate change and Northern well-being. With the approval of C-21, an amendment to the *Canadian Human Rights Act*, the human rights of individuals who live on reserves can now be fully protected.

Results like those noted above are creating positive impacts for communities, regions, and the country as a whole over the long term. INAC also achieved results with immediate impacts in areas of greatest need, with practical benefits to individuals and to their quality of life. INAC partially met the commitments it set in these areas, ranging from safe drinking water on First Nation reserves to improved access to nutritious foods in remote Northern communities. Investments in economic development and education also continue to deliver important results, from the creation and expansion of businesses owned by Aboriginal people to partnerships that will improve educational outcomes for Aboriginal students, on and off reserves.

While achievements over the past year are significant, INAC also recognizes that much more needs to be done to address the challenges many Aboriginal people and Northerners face. As this report demonstrates, INAC continues to critically evaluate its performance and make adjustments based on lessons learned. At the same time, it is important to recognize successes, particularly those led by Aboriginal and Northern people, communities, and governments (for more success stories, visit http://www.ainc-inac.gc.ca/ecd/ab/abss/index-eng.asp).

Summary Information

Progress on Departmental Priorities for 2007–2008

Overall, INAC successfully met the commitments it set for its 2007–2008 departmental priorities. For 5 out of 10 priorities all commitments were met. Commitments were partially met for the remaining 5 priorities, though significant progress was still achieved in these areas. The chart below summarizes progress on the Department's 2007–2008 priorities. Each priority supports INAC's strategic outcomes. For detailed results for each strategic outcome, which includes more information on the priorities below, please see Section II of this report.

Commitment[3]	Assessment on Progress toward Priorities
Priority: Safe Water (ongoing priority)	**Strategic Outcome: The Economy**
Implement Plan of Action from Drinking Water in First Nations Communities Progress Report (December 2006).	Commitments partially met. In 2007–2008 the number of high-risk water systems was reduced from 97 to 77. Also, the number of water treatment system operators who have achieved the first level of certification or greater has increased from 37% to 59% of all operators.
Priority: Housing (ongoing priority)	**Strategic Outcome: The Economy**
New housing on-reserve and adequate renovated on-reserve housing.	All commitments met for increasing new housing units constructed and for reducing the number of outstanding health and safety projects to be addressed.
Priority: Education (ongoing priority)	**Strategic Outcome: The People**
Regional Education Partnerships established to improve outcomes for all Aboriginal students, on and off reserves.	Commitments partially met. In British Columbia, the *First Nations Jurisdiction over Education Act* came into effect in November 2007. Work progressed on establishing additional education partnerships, with significant progress made on reaching an agreement with New Brunswick.
Priority: Child and Family Services (ongoing priority)	**Strategic Outcome: The People**
Review and adapt program authorities related to First Nations Child and Family Services so that child welfare programs and services are more comparable to provincial programs and services.	Commitments partially met. The number and quality of care options available to First Nations on reserves increased.

[3] Please note terminology change: The term 'Commitment' replaces 'Initiative/Expected Result' which was used in the corresponding chart on pages 13–15 in the *2007–2008 Report on Plans and Priorities*.

Commitment	Assessment on Progress toward Priorities
Priority: Matrimonial Real Property Legislation[4] (new priority)	**Strategic Outcome: The People**
Development and introduction of an enduring legislative solution to the issue of on-reserve matrimonial real property.	On target. Bill C-47 was introduced in the House of Commons on March 4, 2008. Second Reading debate of Bill C-47 took place from May 13–15, 2008.
Priority: Repeal of Section 67 of the *Canadian Human Rights Act* (Bill C-21) (new priority)	**Strategic Outcome: The People**
Repeal Section 67 of the *Canadian Human Rights Act*.	Commitment was met when Royal Assent of Bill C-21 was received on June 18, 2008. Bill C-21, An *Act* to Amend the *Canadian Human Rights Act*, was introduced, and at the end of the reporting period was awaiting Report stage in the House of Commons.
Priority: Productive Claims Negotiations (ongoing priority)	**Strategic Outcome: The Government**
Achievement of deliverables and key milestones identified in agreed-upon work plans in land claims and self-government negotiations.	Commitments partially met. Seventy-three percent of milestones were achieved in agreed-upon work plans in land claims and self-government negotiations.
Priority: Economic Development (new priority)	**Strategic Outcome: The Economy**
Increased participation of Aboriginal people in the economy; increased employment opportunities and job creation; increased federal contracts and revenue for Aboriginal businesses.	Commitments partially met. Numerous business opportunities have been realized with 380 businesses created and 242 businesses expanded with the assistance of INAC programming. Aboriginal businesses have been awarded 5,384 federal contracts valued at $337 million. Changes in the Aboriginal labour force participation and employment rate will be reported after the next census.
Priority: Mackenzie Gas Project (ongoing priority)	**Strategic Outcome: The Economy**
Advancement of the Mackenzie Gas Project.	Commitments met. Substantial progress was made on regulatory processes for construction approvals and supporting scientific basis for decisions. Adequate progress was made on resolving related Aboriginal claims and interests.
Priority: International Polar Year (new priority)	**Strategic Outcome: The People**
Leading Canada's efforts in International Polar Year.	All commitments met for supporting the generation of new scientific data, information and knowledge, and engagement of Northerners, Aboriginal people, youth, and communities.

For detailed reporting against management priority expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/inser-eng.asp

[4] For a short summary of this initiative, visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/mat-eng.asp.

The Program Activity Architecture shown below provides an overview of the Department's strategic outcomes and supporting program activities.

Indian and Northern Affairs Canada — Program Activity Architecture

Strategic Outcomes

The Government	The People	The Land	The Economy	Office of the Federal Interlocutor
Good governance, effective institutions and cooperative relationships for First Nations, Inuit and Northerners	*Strengthened individual and family well-being for First Nations, Inuit and Northerners*	*Sustainable use of lands and resources by First Nations, Inuit and Northerners*	*Aboriginal People and Northerners close the economic gap*	*Promoting collaborative engagement of government and stakeholders, resulting in demonstrative improvement in socio-economic conditions of Métis, non-status Indians, and urban Aboriginal conditions*

Program Activities

Governance and Institutions of Government
Sub-Activities
- Supporting Governments
- Institutions of Government
- Fiscal Relations

Co-operative Relationships
Sub-Activities
- Negotiations of Claims and Self-Government
- Treaty Commissions
- Exploratory Treaty Tables
- Inuit Relations Secretariat
- Policy Engagement

Claims Settlements

Northern Governance

Aboriginal Individual Affairs
Sub-Activities
- Registration and Membership
- Management of Indian Moneys
- Estate Management
- Treaty Annuities
- Professional and Institutional Development

Education
Sub-Activities
- Elementary and Secondary Education
- Special Education
- Post-Secondary Education
- Cultural Education Centres

Social Development
Sub-Activities
- Income Assistance
- First Nations Child and Family Services
- Assisted Living
- Family Violence Prevention
- National Child Benefit Re-investment
- Federal-Provincial Agreements

Healthy Northern Communities
Sub-Activities
- Hospital and Physician Services
- Food Mail
- Knowledge and Adaptation

Clarity of Title to Land and Resources
Sub-Activities
- Additions to Reserve
- Clarification of Reserve Title
- Comprehensive Claims Land Transfers

Responsible Federal Stewardship
Sub-Activities
- Land, Resources and Environment Management
- Oil and Gas Management
- Management of Band Moneys
- Land Registration
- Contaminated Sites Remediation
- Legislative and Regulatory Maintenance and Development

First Nations Governance over Land, Resources and the Environment
Sub-Activities
- Legislative and Regulatory Maintenance and Development
- Implementation of Sectoral Governance Initiatives
- Professional and Institutional Development

Northern Land and Resources
Sub-Activities
- Contaminated Sites
- Management of Land and Resources

Economic and Employment Opportunities for Aboriginal People
Sub-Activities
- Economic Opportunities
- Employment Opportunities

Economic Development
Sub-Activity
- Community Economic Development

Community Infrastructure
Sub-Activities
- Infrastructure Facilities
- Education Facilities
- Housing
- Community Management of Infrastructure

Northern Economy

Co-operative Relations

Departmental Management and Administration
An effective and responsibly managed and supported department functioning to achieve its strategic outcomes
- Regional and Program Operations
- Litigation Management – Management, Resolution and Prevention
- Litigation Management – Settlements

Expenditure Profile

INAC's actual spending for 2007–2008 was $7.3 billion. The spending trend for the Department has been on a positive slope. Actual spending increased by 25% from 2005–2006 ($5.9 billion) and 19% from 2006–2007 ($6.1 billion). This increase is due to three factors:

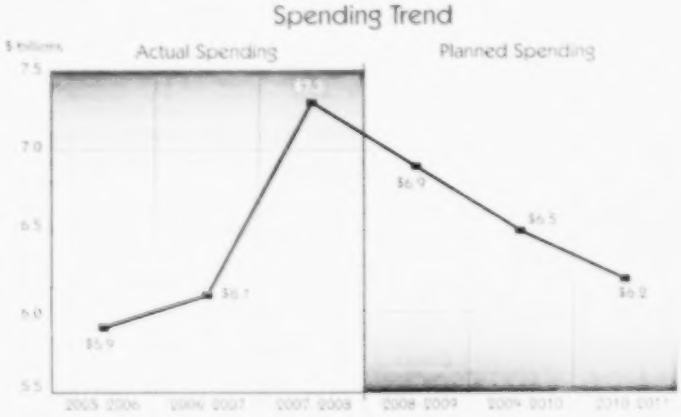
- A $1.1 billion payment to the Quebec Cree in 2007–2008 to settle implementation issues respecting the James Bay and Northern Quebec Agreement and related litigation. This payment reflects the most significant variance between planned and actual spending;
- Incremental funding to meet the ongoing requirement to provide programs and services to growing First Nations and Inuit populations;
- Funding provided in Federal Budgets from 2004–2006 for education; protecting and supporting Aboriginal women, children, families water, housing and infrastructure on-reserve; Mackenzie Gas Project; Federal Contaminated Sites Action Plan; and the Strategic Investments in Northern Economic Development program.

Planned spending from 2007–2008 to 2010–2011 will decrease mainly because the payment to the Quebec Cree has been made and targeted investments made through Federal Budgets for the initiatives listed above (as well as the First Nations Water Management Strategy funding from Budget 2003) will be complete.

Planned spending will decrease to $6.9 billion in 2008–2009 and to $6.5 billion and $6.2 billion in 2009–2010 and 2010–2011 respectively. Planned spending is subject to change in future budgets.

The chart below shows the Department's spending trend over a six-year period (three-year actual spending and three-year planned spending).

The Expenditure Profile reflects significant variation over the time horizon due to a number of key factors including: large single payment claims settlements; changes in the funding profile of various specific purpose (targeted) initiatives; and termination (sunsetting) of time-limited initiatives.



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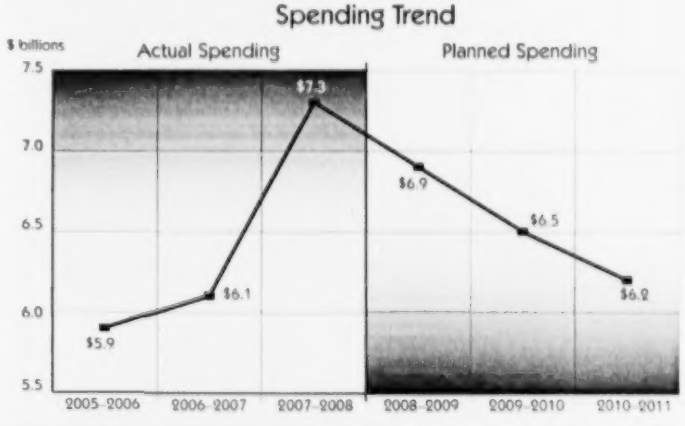

Comparison of Planned to Actual Spending (including full-time equivalents)

($ millions)	Actual 2005–2006	Actual 2006–2007	2007–2008 Main Estimates	2007–2008 Planned Spending	2007–2008 Total Authorities	2007–2008 Actual Spending
Indian and Northern Affairs Canada						
Governance and Institutions of Government	558.6	645.1	637.0	652.6	651.3	648.2
Co-operative Relationships	179.2	184.3	240.6	240.8	237.8	201.1
Claims Settlements*	—	—	500.8	523.3	1,360.2	1,355.6
Northern Governance	8.7	8.1	10.3	10.3	13.8	6.2
Managing Individual Affairs	20.0	17.1	24.7	24.7	23.9	18.9
Education	1,619.2	1,679.8	1,667.2	1,670.4	1,742.1	1,734.7
Social Development	1,352.5	1,425.7	1,400.5	1,400.8	1,520.6	1,516.9
Healthy Northern Communities	97.3	96.4	88.4	140.2	107.4	106.5
Clarity of Title to Land and Resources	27.1	10.9	9.7	9.7	12.4	10.5
Responsible Federal Stewardship	22.9	120.4	49.0	49.0	92.2	86.7
First Nations Governance over Land, Resources and the Environment	87.9	15.4	36.0	36.0	31.9	15.3
Northern Land and Resources	164.8	182.7	188.3	188.4	203.9	179.8
Economic and Employment Opportunities for Aboriginal People	67.9	2.5	1.1	1.1	1.5	1.2
Economic Development*	501.9	418.7	125.3	174.4	201.5	153.0
Community Infrastructure	1,114.3	1,261.3	1,265.3	1,265.6	1,226.0	1,225.9
Northern Economy	15.6	23.1	26.8	26.9	38.0	23.7
Co-operative Relations	37.0	39.6	35.7	35.8	42.2	37.7
Sub-Total	5,874.9	6,131.1	6,306.7	6,449.8	7,506.9	7,321.8
Budget 2006 funding not allocated to specific program activities	—	—	—	314.5	—	—
Total	5,874.9	6,131.1	6,306.7	6,764.3	7,506.9	7,321.8
Less: Non-Respendable Revenue	299.7	248.3	N/A	209.7	N/A	284.9
Plus: Cost of services received without charge	68.7	72.4	N/A	69.2	N/A	73.8
Net Cost of Program	5,643.9	5,955.2	N/A	6,623.8	N/A	7,110.6
Full-Time Equivalents	3,967	4,063	N/A	4,390	N/A	4,262
Canadian Polar Commission						
Research Facilitation and Communication	1.0	1.0	1.0	1.0	1.0	1.0
Total	1.0	1.0	1.0	1.0	1.0	1.0
Less: Non-Respendable Revenue	—	—	—	—	—	—
Plus: Cost of services received without charge	—	—	—	—	—	—
Total Spending	1.0	1.0	1.0	1.0	1.0	1.0
Full-Time Equivalents	5	5	5	5	5	5

Due to rounding, figures may not add to totals shown.

*In 2005–2006 and 2006–2007, Claims Settlements was included in Economic Development.

Variations between Main Estimates, Planned Spending, Total Authorities, and Actual Spending are largely attributable to the timing of key elements of the fiscal cycle. Main Estimates are the initial appropriations and do not include resources to be accessed through the supplementary estimates exercise(s); such as funding announced in the Federal Budget. These additional resources are included in Planned Spending and Total Authorities. Actual Spending reflects the Department's final expenditures and may be less than total authorized spending largely due to approved re-profiling and the carrying forward of resources to the next fiscal year. For more explanation on the Comparison of Planned to Actual Spending (including FTEs) table, visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/det-eng.asp.

2007–2008 Financial Resources — $ millions

	Planned Spending	Total Authorities	Actual Spending
Indian and Northern Affairs Canada	6,764.3	7,506.9	7,321.8
Canadian Polar Commission	1.0	1.0	1.0

2007–2008 Human Resources — Full-Time Equivalents (FTEs)

	Planned	Actual	Difference
Indian and Northern Affairs Canada	4,389.5	4,262.0	(127.5)
Canadian Polar Commission	5.0	5.0	—

Section 2

Analysis of Program Activities by Strategic Outcome

■ Strategic Outcome: The Government

The Government strategic outcome is good governance and effective institutions for First Nations, Inuit, and Northerners, and co-operative relationships with the Government of Canada.

2007–2008

	Financial Resources* ($ millions)			Human Resources* (Full-time Equivalents)		
Program Activities	Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
Governance and Institutions of Government	652.6	651.3	648.2	327.0	274.7	(52.3)
Co-operative Relationships	240.8	237.8	201.1	535.8	435.8	(100.0)
Claims Settlements	523.3	1,360.2	1,355.6	212.9	463.6	250.7

*Full-time equivalents and financial resources for Internal Services are attributed on a pro-rata basis based on total financial resources. This may cause significant variances. See page 45 for allocation methodology

Results under this strategic outcome help support Aboriginal people and Northerners in their efforts to participate more fully in Canada's political, social, and economic development. They also contribute to the Government of Canada Outcomes: A Diverse Society that Promotes Linguistic Duality and Social Inclusion and Strong Economic Growth.

On the whole, INAC met the results it set out to achieve in 2007–2008 for The Government strategic outcome.

Benefits to Canadians

Effective First Nations governance systems and institutions serve as the necessary foundation for community socio-economic development and overall community well-being. Fostering the elements of good governance will support the capacity of First Nations to become self-governing. Settling land claims and finalizing self-government agreements supports the aspirations of Aboriginal peoples to regain more direct control over the future of their communities, improve living conditions for their members, and make even greater contributions to Canada's society and economy. The settlement of land claims also provides certainty over ownership of lands and resources, which improves the investment climate in Canada. Negotiations also help parties avoid litigation which can be lengthy, costly, and can lead to conflict.

Resolution of historic grievances meets Canadians' desires for fair and equitable treatment of all Canadians.

Program Activity: Governance and Institutions of Government

Performance Analysis

Progress continued on the implementation of 20 comprehensive land claim agreements and/or self-government agreements currently in place, in partnership with Aboriginal signatories and provincial/territorial governments (read more about these agreements at http://www.ainc-inac.gc.ca/al/ldc/ccl/index-eng.asp). The Tsawwassen final agreement in British Columbia was signed, the New Relationship Agreement was developed between the Government of Canada and the Cree of Eeyou Istchee, and federal legislation for the Nunavik Inuit Land Claims Agreement was passed. In addition, 54 specific claims were addressed over the fiscal year.

Program Activity Description

Fostering stronger governance and institutions of government through supportive legislative initiatives, programs and policies, and administrative mechanisms leading to stable, legitimate, and effective First Nations and Inuit governments that are culturally relevant, provide efficient delivery of services, and are accountable to their citizens.

In 2007–2008 thirty-three First Nations committed to collecting real property taxes under the new *First Nations Fiscal and Statistical Management Act*.

This year, by monitoring the legitimacy of community elections and by-laws, INAC's program activities have supported accountable community governments. The Department's assessment of elections appeals demonstrated both that community members have a legitimate process through which to challenge election results and that community elections were undertaken effectively. The processing of *Indian Act* by-laws also ensured that band councils could exercise their law-making ability in a timely manner.

INAC's governance programs also contributed to more responsible and responsive decision-making in communities by providing concrete tools for capacity development. INAC made one-time investments in a financial management capacity to communities most in need of assistance, and demonstrated that improvements can be made through measures as straightforward as the purchase of software.

Lessons Learned

Demand from communities for practical governance tools has continued to outpace the Department's ability to fund new projects. The Department has responded by committing the available funds to communities most in need of capacity development. Experience is now showing that many communities have similar needs. This suggests that the Department should find ways to assist communities in sharing best practices and effective tools.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/gov-eng.asp

Program Activity: Co-operative Relationships

Performance Analysis

Every milestone completed in the negotiation and implementation process represents important progress that is the result of a significant effort and collaboration by all parties involved.

In 2007–2008 INAC achieved most of the commitments set for co-operative relationships with First Nations, Inuit, and Northerners. In addition to the major agreements noted on the previous page, highlights include the establishment of a Canada and Sechelt Intergovernmental Committee, the continued work on the renewal of the Nisga'a Final Agreement and the Sechelt Self-Government Agreement.

Program Activity Description

Building co-operative and productive inter-governmental and treaty relationships with First Nations and Inuit, the reconciliation of Aboriginal and other interests through researching, assessing, negotiating, and implementing claims and self-government agreements, the furthering of common understanding regarding the historic treaty relationship, and developing legislative and administrative arrangements that reflect evolving governance capacities and relations.

Lessons Learned

In October 2007 the Office of the Auditor General (OAG) released a report on the Inuvialuit Final Agreement which was critical of INAC's approach to implementing the Agreement. INAC accepted the recommendations and is implementing a plan to address the concerns raised in the report. Progress includes reaching a tentative agreement on two outstanding land exchanges with the Inuvialuit as well as an approach to supporting economic development potential in Inuvialuit communities.

As a result of the OAG report, consultation with key partners, and internal considerations, the Department is looking at ways to: modernize and improve approaches to implementing land claim agreements; improve the tracking and monitoring of obligations to better demonstrate results; and report annually on federal contracting in settlement areas.

INAC also learned an important lesson from the failed Lheidli T'enneh Final Agreement ratification vote: that it is critical for all three parties (Canada, the province/territory, and the First Nation) to work more closely together to maximize First Nation community participation in the ratification process. This tripartite approach to increasing participation of community members was applied to the subsequent Tsawwassen and Maa-nulth Final Agreement ratifications and appears to have been a factor in their

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Program Activity Description

Fostering stronger governance and institutions of government through supportive legislative initiatives, programs and policies, and administrative mechanisms leading to stable, legitimate, and effective First Nations and Inuit governments that are culturally relevant, provide efficient delivery of services, and are accountable to their citizens.

In 2007–2008 thirty-three First Nations committed to collecting real property taxes under the new *First Nations Fiscal and Statistical Management Act*.

This year, by monitoring the legitimacy of community elections and by-laws, INAC's program activities have supported accountable community governments. The Department's assessment of elections appeals demonstrated both that community members have a legitimate process through which to challenge election results and that community elections were undertaken effectively. The processing of *Indian Act* by-laws also ensured that band councils could exercise their law-making ability in a timely manner.

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success. In future INAC will reinforce the importance of working with its partners to improve community education about the claims process from the beginning of the negotiation process.

Program Activity: Claims Settlements

Performance Analysis

A total of 54 specific claims was addressed including 37 specific claims that the Department settled through negotiation, and 17 specific claims that were rejected for negotiation on the basis that the claim did not give rise to a lawful obligation. One hundred percent of the 15 planned payments was made on time, representing a total of almost $1.8 billion. The settlements paid in 2007–2008 exceeded the planned spending due to a very large settlement with the James Bay Cree. These settlements contribute to the improvement of First Nations governance and their socio-economic conditions. The settlements also avoid costly litigation.

Program Activity Description

Payments for the settlement of special, specific, and comprehensive claims to resolve outstanding grievances between Aboriginal people and the Government of Canada. Provide certainty over disputed lands and contribute to a strengthened relationship between Aboriginal and non-Aboriginal people in Canada.

Lessons Learned

Financial planning related to claims settlement payments is challenging due in part to the fact that claims settlements are not entirely within the control of the Department. Once Aboriginal groups respond to a tabled offer, a lengthy ratification process may follow, which may mean payments occur in the next fiscal year.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/gov-eng.asp

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■ Strategic Outcome: The People

The People strategic outcome is strengthened individual and family well-being for First Nations, Inuit, and Northerners. Through this strategic outcome, INAC strives to promote access to a range and level of services in education and social development that is reasonably comparable to those accessible to Canadians living off reserve. INAC also supports increased First Nations control over the policies, programs, and services that most directly affect individual and family well-being.

2007–2008						
	Financial Resources* ($ millions)			Human Resources* (Full-time Equivalents)		
Program Activities	Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
Education	1,670.4	1,742.1	1,734.7	864.3	763.2	(101.1)
Social Development	1,400.8	1,520.6	1,516.9	619.3	551.8	(67.5)
Managing Individual Affairs	24.7	23.9	18.9	84.3	108.5	24.2

*Full-time equivalents and financial resources for Internal Services are attributed on a pro-rata basis based on total financial resources. This may cause significant variances. See page 45 for allocation methodology.

Results under The People strategic outcome support the social inclusion component of the Government of Canada outcome entitled A Diverse Society that Supports Linguistic Duality and Social Inclusion.

On the whole, INAC made progress and partially met the results it set out to achieve in 2007–2008 for The People.

Benefits to Canadians

Improving educational outcomes gives First Nations and Inuit increased opportunities to enhance their quality of life and to make greater contributions to Canada's society and economy. Effective social services help individuals and families be more self-sufficient, safe, and secure. Enhancing the capacity of First Nations to manage affairs, such as band membership and resources, enables them to invest in their community development and create economic partnerships.

Program Activity: Education

Performance Analysis

In 2007–2008 INAC continued to provide funding for a range of programs and services including support for the elementary and secondary education of First Nations residing on reserves. Funding was also provided for First Nations and Inuit to pursue post-secondary education, special education, and culturally relevant education programs and services.

Program Activity Description

Supporting the efforts of First Nations and Inuit individuals and communities to improve education outcomes and skills development, including: support for elementary/secondary education programs and services for First Nation students; support for First Nation and Inuit students to participate in post-secondary education studies and for specialized programs of study at post-secondary institutions; support for special education programs and services for First Nation students with high-cost special education needs; and support for community-based cultural education programs and services.

For 2007–2008 INAC committed to developing new regional education partnerships to support improved outcomes for all Aboriginal students, on and off reserves. Over the past year INAC made substantial progress toward establishing tripartite partnerships with First Nations and the provinces of Saskatchewan, New Brunswick, and Manitoba. The *First Nations Jurisdiction over Education in British Columbia Act* came into effect on November 22, 2007.

Through the Federal Budget in February 2008, INAC secured funding of $70 million over two years to improve First Nations education outcomes through results-based accountability and partnerships with willing First Nations and provinces.

Lessons Learned

In December 2007 a formative evaluation of the Special Education Program was completed and an action plan developed to strengthen and improve program evaluation, reporting, and performance. The evaluation concluded that some of the data collected is inconsistent or inadequate for performance measurement requirements. Therefore, the action plan commits the Program to working with regions and First Nations to revise the reporting framework included in a new performance measurement strategy for education programs and services.

According to the 2006 Census, 56% of Aboriginal Canadians and 50% of Status Indians (or Registered Indians) had completed high school, compared with 77% of the general population. The same census data showed that 35% of Aboriginal Canadians and 31% of Status Indians (or Registered Indians) were post-secondary graduates compared with 51% of the general population.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/peo-eng.asp

In 2007–2008 INAC produced and commissioned a series of reports on education reform, including a report on the contribution of improved Aboriginal education to Canada's employment and productivity growth. INAC continued to work on considerations for reforming its post-secondary education programming. These were reflected in the Government Response to the Aboriginal Affairs and Northern Development Standing Committee Report on Post Secondary Education.

Program Activity: Social Development

Performance Analysis

INAC achieved its expected results for social development programs, as set out in the *2007–2008 Report on Plans and Priorities*, such as meeting the basic and special needs of individuals and families, and providing access to quality care supports for children and families in distress, and investing $56 million through a five-year investment for the construction of up to five new shelters as well as operational funding for existing and new shelters for women and children on reserve.

Through the implementation of the Enhanced Prevention-Focused Approach, First Nations child and family community-based services and the child welfare system now work together more effectively to ensure families receive more appropriate services in a timely manner (http://www.ainc-inac.gc.ca/ai/mr/nr/j-a2007/2-2874-bk-eng.asp).

In addition, Health Canada and INAC have been working together to develop a policy approach to implement Jordan's Principle (http://www.ainc-inac.gc.ca/ai/mr/nr/s-d2007/2-2981-eng.asp), a "child first" principle (passed by the House of Commons in 2007) used for resolving jurisdictional disputes involving First Nations children. A collaborative approach with provinces is being developed that involves First Nations organizations in the resolution of these important issues.

Program Activity Description

INAC has a responsibility to provide basic social services on reserves at a level comparable to services received by non-Aboriginal people under similar circumstances. These programs include: income assistance; child and family services; early childhood development; non-medical assistance for people with chronic illness or disabilities; and family violence prevention.

Other highlights, ranging from employment and training projects that aim to reduce dependence on Income Assistance to improved delivery of federal Early Childhood Development programs and services, can be found at http://www.ainc-inac.gc.ca/hb/sp/index-eng.asp.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/peo-eng.asp

Lessons Learned

INAC completed evaluations of Income Assistance and the National Child Benefit Reinvestment programs in 2007–2008. Consistent with the findings of the evaluations, INAC developed action plans to address the recommendations of the evaluations which included plans for improved data collection systems, compliance activities, and refined methods of measuring program effectiveness.

Furthermore, a program-led review of assisted living was completed in November 2007. The review recommended that INAC undertake a process of renewal for the Assisted Living Program and its policy framework. The objectives should be to: i) strengthen assisted living policy and program foundations within the First Nations continuing care system; ii) support a more comprehensive and consistent range of assisted living program options that reflect and respond to the distinctive needs and circumstances of First Nations; and iii) provide for a more sustainable approach to meeting the long-term institutional care needs of First Nation seniors and disabled people living on reserves.

Program Activity: Managing Individual Affairs

Performance Analysis

The outcome for activities under Managing Individual Affairs is increased control by First Nations over the policies, programs, and services that most directly affect individual and family well-being in order to improve quality of life.

Program Activity Description

Professionally managing individual First Nations affairs to ensure that the Minister's responsibilities under the *Indian Act* for trust funds, the Indian Register, band membership, Certificates of Indian Status, treaty and annuity payments, and estates are properly exercised

Over the past year progress was achieved on increasing the efficiency of existing service delivery support mechanisms and the sharing of program responsibilities with First Nations wherever possible. On the whole, priorities set for Managing Individual Affairs in 2007–2008 were met. Highlights include:

- A 5% increase (over two years) in the capacity of First Nation Indian Registry Administrators to maintain the Indian Register and Band Lists. An accurate Indian Registry is essential to the delivery of federal programs as it identifies those entitled to the programs.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/peo-eng.asp

- Modernized training, and educational and business tools, helped departmental and First Nation estates administrators manage the affairs of deceased, minors, or mentally incompetent individuals more efficiently.
- Ensuring eligible estates of Mentally Incompetent and Decedent Indians accessed payments from the Indian Residential Schools Settlement Agreement.

Lessons Learned

Given that the majority of the business of Managing Individual Affairs is mandated through the *Indian Act*, true devolution of all program responsibilities will not be fully possible until the *Act* itself is replaced with another regime, such as negotiated self-government agreements, or alternative legislation such as the *First Nations Oil and Gas Moneys Management Act*. Until that time, INAC will continue partnering with First Nations to deliver modernized programs and services to ensure effective federal stewardship of government and statutory responsibilities that strive to meet Canadian standards.

■ Strategic Outcome: The Land

The Land strategic outcome is sustainable use of land and resources by First Nations, Inuit, and Northerners. Through this strategic outcome, INAC strives to clarify title and access to First Nation and Inuit lands; to support responsible federal stewardship of First Nation land, resources, and environment; and to provide opportunities for First Nation governance over land, resources, and the environment.

2007–2008

	Financial Resources* ($ millions)			Human Resources* (Full-time Equivalents)		
Program Activities	Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
Clarity of Title to Land and Resources	9.7	12.4	10.5	27.6	42.6	15.0
Responsible Federal Stewardship	49.0	92.2	86.7	134.4	268.7	134.3
First Nations Governance over Land, Resources and the Environment	36.0	31.9	15.3	62.3	25.2	(37.1)

*Full-time equivalents and financial resources for Internal Services are attributed on a pro-rata basis based on total financial resources. This may cause significant variances. See page 45 for allocation methodology.

This outcome supports two Government of Canada strategic outcomes: Strong Economic Growth and A Healthy Environment.

On the whole INAC met the commitments made for 2007–2008 for The Land strategic outcome.

Benefits to Canadians

Greater First Nations control over land, resources, and the environment leads to greater self-reliance. The agenda of The Land strategic outcome benefits Canadians in a number of ways. Achieving certainty of title and providing First Nations with access to a greater land base helps create a positive investment climate and potential for economic development, growth, and jobs. Due diligence and timely implementation of claim settlement agreements (and through additions of land to First Nation reserves) fosters stronger relationships with First Nations and contributes to the fulfilment of Canada's legal obligations. There are economic benefits from sustainable commercial and industrial natural resource development on reserve lands, including development of oil and gas resources. There are also benefits to the health and safety of Canadians flowing from sound environmental practices on reserve lands.

Program Activity: Clarity of Title to Land and Resources

Performance Analysis

Toward clarity of title and access to First Nation and Inuit lands, over 78,000 hectares of land were added to reserve, an increase of 130% over 2006–2007. This increase included the addition of 60,700 hectares to reserves in Manitoba pursuant to the Manitoba Treaty Land Entitlement agreement. INAC also completed much of the ground work for the transfer of over 325,000 hectares of land in 2008–2009 for two comprehensive claims agreements in British Columbia (Tsawwassen and Maanulth) and one in Quebec (Nunavik). These achievements not only contribute to the fulfilment of Canada's legal obligations, but also promote use of the land by First Nations and Inuit for economic development or other purposes important to First Nation and Inuit communities.

Program Activity Description

Additions of land to First Nation reserves, clarification of title to First Nation reserve land and comprehensive land claim transfers.

The average length of time required to complete an Addition to Reserve (ATR) once a request is received at INAC Headquarters increased from 118 business days in 2006–2007 to 166 business days in 2007–2008. The increase is expected to be temporary and is explained by the introduction of changes in the processing of ATR files, including changes to the approval and Order-in-Council processes.

Lessons Learned

Lessons learned within the Clarity of Title to Land and Resources Program Activity relate to timeliness and, more specifically, the need to understand the timeliness of transactions within a broader context. The time and effort required to add land to reserve, for example, has increased as more complex and strategic land selections are made by First Nations. This increased time and effort, however, needs to be understood in the context of the greater benefits derived by First Nations from adding land with greater development potential. Similarly, the transfer of lands pursuant to comprehensive claims is largely dependent on legislative processes, the timing of which is difficult to predict. The Department can and does, however, undertake its due diligence in preparation for such transfers, so that they can be executed without delay on the effective date of the legislation.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities for 2007–2008*, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/lan-eng.asp

Program Activity: Responsible Federal Stewardship

Performance Analysis

Toward responsible federal stewardship of First Nation land, resources, and environment, there were significant achievements in 2007–2008, including:

- $12 million in spending toward the reduction of contaminated sites liabilities, representing a 17% reduction in those liabilities known as of April 1, 2007;
- the collection of over $200 million on behalf of First Nations as a result of oil and gas activities on reserve lands;
- the completion of two tripartite agreements in support of major industrial development projects under the *First Nations Commercial and Industrial Development Act* (FNCIDA);
- the addition of 15 First Nations within the Reserve Land and Environment Management Program (RLEMP), for a total of 36 participating First Nations; and
- collaboration with First Nations toward modernization of the *Indian Oil and Gas Act*.

Program Activity Description

Discharging federal responsibilities to First Nations, such as those described in the *Indian Act* and the *Indian Oil and Gas Act* and associated regulations, discharging responsibilities and co-ordinating with other government departments with similar responsibilities, such as Environment Canada; remediating contaminated sites under federal jurisdiction; and collecting and managing "Indian monies" (a legal term) from land and resources activities.

There were also challenges faced in 2007–2008, including:

- the modernization of the Indian Lands Registry, due in part to delays in securing multi-year funding, and
- the management of waste sites on reserve lands, due in part to regulatory gaps.

Lessons Learned

There were lessons learned in 2007–2008, specifically with respect to the management of oil and gas resources on reserves. Through its efforts to modernize the *Indian Oil and Gas Act*, INAC learned the importance of taking small steps and achieving tangible successes quickly. The longer a project takes, the more difficult it becomes to manage the scope of the project and to sustain support for it. In addition, changes to Alberta's oil and gas royalty regime underlined the importance of continuous strategic planning and environmental scanning in order to be ready for changes in the broader environment.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/ian-eng.asp

Program Activity: First Nations Governance over Land, Resources and the Environment

Performance Analysis

Toward First Nations governance over land, resources, and environment, developments in 2007–2008 involved modest growth in the First Nations Land Management (FNLM) regime, as well as the early implementation of the oil and gas provisions of the *First Nations Oil and Gas and Moneys Management Act* (FNOGMMA). Both the FNLM regime and FNOGMMA are legislative frameworks established to provide First Nations with the option of managing their land, resources, and environment outside the framework of the *Indian Act*.

Program Activity Description

Develops legislative tools and intergovernmental agreements that help First Nations assume governing authority over their lands, resources, and environment, an important step toward self-government.

With respect to First Nations Land Management, three First Nations held successful votes in 2007–2008 to begin operating under FNLM, and six more entered the developmental stage of the regime. While this represents some growth, 2007–2008 was largely a transitional year for First Nations Land Management as First Nations awaited the outcome of a proposed FNLM renewal process. With this uncertainty resolved, the expectation is that more First Nations will hold votes in 2008–2009.

With respect to the early implementation of FNOGMMA, work continued with the Blood Tribe, Siksika Nation, and Whitebear First Nations to complete what was required (such as First Nation codes and trusts, provincial agreements, and transfer agreements) to enable them to hold community votes in 2008–2009 on whether to assume control of oil and gas resources under FNOGMMA.

Lessons Learned

There were lessons learned in 2007–2008, specifically with respect to:

- the need to understand the increasing complexity surrounding the management of land, resources, and the environment;
- the importance of strong relationships with First Nations and organizations (namely the Lands Advisory Board), other federal government departments (Environment Canada, NRCan, and Revenue Canada), and provincial governments;
- the need to balance support for First Nations wishing to opt into FNLM or FNOGMMA with efficient and effective management of limited resources; and
- the importance of longer-term program vision and stability.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/lan-eng.asp

■ Strategic Outcome: The Economy

The Economy strategic outcome is increased participation of Aboriginal people and Northerners[3] in the economy.

2007–2008						
	Financial Resources* ($ millions)			Human Resources* (Full-time Equivalents)		
Program Activities	Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
Economic and Employment Opportunities for Aboriginal People	1.1	1.5	1.2	7.5	11.4	3.9
Economic Development	174.4	201.5	153.0	185.9	179.3	(6.6)
Community Infrastructure	1,265.6	1,226.0	1,225.9	697.2	556.2	(141.0)

*Full-time equivalents and financial resources for Internal Services are attributed on a pro-rata basis based on total financial resources. This may cause significant variances. See page 45 for allocation methodology.

This outcome supports the Government of Canada Strong Economic Growth strategic outcome.

Overall, INAC partially met the results set out for the 2007–2008 The Economy strategic outcome.

Benefits to Canadians

Activities in this area increased employment prospects for First Nations, Métis, and Inuit people, and contributed to Aboriginal business growth, including job creation, community economic development, and improvements in community infrastructure (drinking water and management of community capital facilities). Taken together, results benefit Aboriginal people, employers, and the Canadian economy overall. This supports the Government of Canada's *Advantage Canada* approaches to creating new opportunities for people, investing for sustainable growth, and creating the right economic conditions to encourage firms to invest and flourish.

[3] Please refer to page 40 for reporting on economic development activities for the North.

Program Activity: Economic and Employment Opportunities for Aboriginal People

Performance Analysis

In 2007–2008 INAC added one partnership agreement under the Aboriginal Workforce Participation Initiative (AWPI), adding to the 18 previously in place and another 10 under development. This was a transition year during which management initiated a review of the AWPI to improve program effectiveness.

Under the Procurement Strategy for Aboriginal Business (PSAB), Aboriginal businesses were awarded 5,384 federal government contracts worth over $337 million. A decrease of $125 million over the previous reporting year was noted, which, among other aspects, is the subject of ongoing review and analysis.

Program Activity Description

Supports the expansion of economic and employment opportunities for Aboriginal peoples in both the public and private sectors. Supports and promotes goods and services contracting opportunities for Aboriginal businesses.

The Aboriginal employment rate grew by 4% (49.7% in 2001 to 53.7% in 2006). Finally, the Aboriginal unemployment rate improved by 4.3% — from 19.1% in 2001 to 14.8% in 2006.

Lessons Learned

A five-year program-led evaluation of the PSAB was completed in 2007.

There have been two evaluations since the program began. The first was conducted by the Audit and Evaluation Sector (AES) in 2002, and the second was conducted and managed by the Economic Development Branch in 2007. Both evaluations concluded that a rationale for the Strategy exists and that the total number of contracts and financial resources awarded to Aboriginal firms had increased each year. As part of the newly-created Aboriginal Economic Development Sector, existing programs are being reviewed and restructured to ensure that practical performance indicators are established against which results can be tracked.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/eco-eng.asp

Program Activity: Economic Development

Performance Analysis

Activities in 2007–2008 successfully generated Aboriginal economic development and business opportunities for First Nations, Inuit, and Métis people. Core funding of $53 million was provided to 527 First Nation and Inuit Community Economic Development Organizations to support economic development planning and capacity development initiatives. An additional $35 million was contributed to projects that identify economic opportunities and measures to promote hiring of Aboriginal people.[6]

Program Activity Description

Economic development programs facilitate economic development opportunities and the development/implementation of economic development strategies.

Through the Aboriginal Business Canada (ABC) program in 2007–2008, INAC provided $17.4 million to Aboriginal enterprises, thereby helping 380 clients establish or acquire a business, and 242 clients expand an existing one. On average, ABC contributions leveraged $2–$3 for every $1 contributed. Analysis of the 2006 ABC Business Performance Review (BPR), and similar findings since, show that business survival rates for ABC-supported firms compare favorably to national survival rates for small and medium-sized businesses. This is an important demonstration of success and positive benefits for Aboriginal people.

ABC also provided support to a network of Aboriginal Financial Institutions (AFIs) that provide developmental (higher risk) lending and business services to Aboriginal small- and medium-sized enterprises across Canada. In 2007–2008 INAC provided $18.9 million to AFIs, who then offered 470 new business loans worth $19.8 million, and held 363 existing loans worth $15.3 million. Over time, the yield, or the positive return, on the total AFI loan portfolio has remained relatively consistent at 7.5 to 8.5 percent, indicating that objectives are being met by contributing to AFIs. This level of positive return continued in 2007–2008.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/eco-eng.asp

[6] Evidence of results attributable to a specific program element or year was not captured. As part of the newly-created Aboriginal Economic Development Sector, existing programs are being reviewed and restructured to ensure that practical performance indicators are established against which results can be tracked and measured.

Lessons Learned

Support for AFIs results in increased business development and entrepreneurial growth, both for the organizations themselves and for the clients who receive services. AFIs also extend important programming to Aboriginal people in more remote areas of Canada — particularly to entrepreneurs who would otherwise not have access to loans from banks.

Program Activity: Community Infrastructure

Performance Analysis

Considerable progress has been made in aiding First Nations with improvements to infrastructure in First Nations communities. Further reductions in the number of high-risk drinking water systems have been achieved and INAC has expanded the Circuit Rider Training Program, which supports water system operators' abilities to serve more communities by increasing the number of trainers.

Program Activity Description

Providing funding for the acquisition, construction, operation, and maintenance of community facilities such as roads, bridges, water and sewer, and administration offices; education facilities, such as schools and teacherages; remediation of contaminated on-reserve sites; and on-reserve housing.

Through support provided in collaboration with the Canada Mortgage and Housing Corporation, there has been a moderate increase in the percentage of housing on reserve lands reported as adequate. The amount of on-reserve housing in need of major repair has decreased.

To improve accountability and asset management for all community infrastructure, INAC has invested considerable time and effort in developing an Integrated Capital Management System (ICMS) that will considerably improve the Department's reporting capabilities.

Lessons Learned

The Summative Evaluation of the First Nations Water Management Strategy recommended that INAC continue to provide assistance to First Nations for their water and wastewater systems as well as for the training of system operators. Budget 2008 allocated a $330 million two-year investment to the First Nations Water and Wastewater Action Plan in order to assist First Nations in providing water and wastewater services to their communities. INAC is also addressing additional recommendations from the Evaluation to improve monitoring and reporting practices; improve accountability for operations and maintenance funding; and support cost-effective alternatives to the construction and operation of large communal systems.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/eco-eng.asp

To improve compliance monitoring, as well as the ability to properly measure and assess key performance indicators, INAC has created the ICMS which stores all data related to community infrastructure. This system is currently being implemented and will then be used by First Nations and the Department. The transition between previous data systems and the ICMS has resulted in delays and gaps in reporting. Once fully operational, this new system will improve the Department's reporting capabilities and allow for better analysis of results.

In February 2008 an evaluation of the 1996 On-Reserve Housing Policy was completed and an action plan developed based upon lessons learned in the Evaluation. The Plan commits to undertaking a comprehensive review of on-reserve housing to inform future policy development as well as to improve the delivery and monitoring of its housing program.

Strategic Outcome: The Office of the Federal Interlocutor

The Office of the Federal Interlocutor strategic outcome is to improve socio-economic conditions of Métis, Non-Status Indians, and urban Aboriginal people in order to help them realize their full potential economically, socially, and politically in Canadian society.

2007–2008						
	Financial Resources* ($ millions)			Human Resources* (Full-time Equivalents)		
Program Activity	Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
Co-operative Relations	35.8	42.2	37.7	73.5	66.9	(6.6)

*Full-time equivalents and financial resources for Internal Services are attributed on a pro-rata basis based on total financial resources. This may cause significant variances. See page 45 for allocation methodology.

This outcome supports Government of Canada outcome A Diverse Society that Promotes Linguistic Duality and Social Inclusion.

On the whole, INAC met the commitments made for 2007–2008 for The Office of the Federal Interlocutor strategic outcome.

Benefits to Canadians

Canada's Métis, Non-Status Indian, and urban Aboriginal population plays an important role in weaving the cultural, social, and economic fabric that makes Canada what it is today.

Program Activity: Co-operative Relations

Performance Analysis

INAC strengthened effective interdepartmental and intergovernmental (federal, provincial, and municipal) co-operative relations with Métis, Non-Status Indian, and urban Aboriginal organizations. Through these partnerships, INAC invested $7,850,321 through the Urban Aboriginal Strategy in 2007–2008 to address urban Aboriginal priorities in 13 cities; leveraged $949,644 from other federal departments and agencies; and leveraged nearly $5,039,368 from non-federal government partners.

Program Activity Description

Supports stronger, more effective inter-departmental and intergovernmental collaboration to address issues of concern to Métis, Non-Status Indians, and urban Aboriginal people. Through co-operative relations and partnerships with Métis, Non-Status Indians, off-reserve and urban Aboriginal organizations, the Office of the Federal Interlocutor (OFI) helps increase access by Aboriginal people to the skills and experience they need to succeed in an urban environment. The OFI promotes job training, skills development, and entrepreneurship among Aboriginal people in urban centres. It also provides support to Aboriginal women and children in urban areas in order to reduce the number of families living in poverty.

In partnership with other federal departments and governments (provincial and municipal) INAC was able to further ensure that the needs of Métis, Non-Status Indians, and urban Aboriginal people were addressed when developing policy and programs and/or directly addressing the priorities at hand. Through the Federal Interlocutor's Contribution Program, INAC partnered with 6 provincial governments in 9 tripartite processes and yielded over $2.1 million in matched funding to address the needs of Métis and Non-Status Indians in those provinces. These and other co-operative partnerships were also developed to better co-ordinate the management and implementation of Métis Aboriginal rights. INAC and its 3 federal partner departments also worked with 3 provincial governments to begin setting up Métis membership systems.

INAC advocated for Métis, Non-Status Indians, and urban Aboriginal people so that relevant stakeholders were more aware of the education realities, issues, and lessons learned for this segment of the Canadian population. As a result, provincial education authorities and other relevant stakeholders took further action on Aboriginal education issues. For example, the OFI along with the Network of Performance Based Schools, the British Columbia Education Leadership Council, and the British Columbia Ministry of Education formed community teams that worked with local Aboriginal community members including Métis to improve learning for Aboriginal students.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/ofi-eng.asp

Program Activity: Co-operative Relations

Performance Analysis

INAC strengthened effective interdepartmental and intergovernmental (federal, provincial, and municipal) co-operative relations with Métis, Non-Status Indian, and urban Aboriginal organizations. Through these partnerships, INAC invested $7,850,521 through the Urban Aboriginal Strategy in 2007–2008 to address urban Aboriginal priorities in 13 cities; leveraged $949,644 from other federal departments and agencies; and leveraged nearly $5,039,368 from non-federal government partners.

Program Activity Description

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Lessons Learned

In 2007–2008 INAC conducted an evaluation of selected OFI programs and found that programming continues to remain relevant to off-reserve Aboriginal people given the growing size and importance of this population, the persistent gap in socio-economic well-being, and the fast evolving legal situation regarding Métis rights (the policy and jurisdiction implications). The evaluation also found that the OFI was successful in implementing a co-ordinated whole-of-government approach to the management of Métis harvesting rights. The Federal Interlocutor's Contribution Program proved to yield very positive results. The fragility of the organizations funded, the lack of multi-year funding, core funding issues, and the lack of clarity regarding intended results hampered Program success. The OFI will continue to work on addressing the areas identified for improvement through the evaluation. Horizontal partnering will continue to be relied on as the key to progress and success.

The North

As indicated in INAC's Program Activity Architecture, the Department's Northern program activities support four of INAC's strategic outcomes (The Economy, The Government, The People, and The Land). The North is reported on separately for ease of reference to readers interested in performance on these program activities.

2007–2008

	Financial Resources* ($ millions)			Human Resources* (Full-time Equivalents)		
Program Activities	Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
Northern Governance	10.3	13.8	6.2	50.6	31.1	(19.5)
Healthy Northern Communities**	140.2	107.4	106.5	59.6	52.4	(7.2)
Northern Land and Resources	188.4	203.9	179.8	416.1	413.5	(2.6)
Northern Economy	26.9	38.0	23.7	31.2	17.1	(14.1)

*Full-time equivalents and financial resources for Internal Services are attributed on a pro-rata basis based on total financial resources. This may cause significant variances. See page 45 for allocation methodology

**Includes planned spending of $52 million for the International Polar Year (including funding for other government departments). INAC accessed $16 million of this total through Supplementary Estimates

The program activities results support Healthy Canadians, A Healthy Environment, Strong Economic Growth, and the social inclusion component of the Government of Canada's A Diverse Society that Promotes Linguistic Duality and Social Inclusion strategic outcome.

On the whole, INAC met the commitments it set for The North in 2007–2008.

Benefits to Canadians

Canada's North is a place of incredible economic opportunity and environmental importance. It is critical to our sovereignty. Political, economic, and social development in the North means that Northerners have greater control over the well-being of their communities, and the environment. This in turn enables greater contributions to the Canadian economy and society as a whole.

Program Activity: Northern Governance

Performance Analysis

INAC has promoted a renewed focus on Northern issues and secured government-wide support. In the October 16, 2007 Speech from the Throne, the Government of Canada committed to advancing an integrated Northern Strategy to strengthen Canada's sovereignty, protect our environmental heritage, promote economic and social development, and improve and devolve governance.

INAC fulfilled its commitments under Northern Governance for 2007–2008. Negotiations to transfer responsibilities to the Government of the Northwest Territories continued, and progress was made in resolving key issues to support an agreement in principle. With respect to Nunavut, the parties advanced discussions toward the conclusion of a protocol agreement to frame devolution negotiations.

Program Activity Description

Supporting strengthened Northern governments through devolution of province-like responsibilities, effective intergovernmental mechanisms, and management of strategic issues, as well as strengthening intergovernmental co-operation internationally on circumpolar issues.

Circumpolar relations were advanced through Arctic Council activities as well as bilaterally through such initiatives as Canada-Russia Arctic Cooperation and Canada-Norway Northern Dialogue.

Lessons Learned

Timelines for and progress on the transfer of responsibilities to Northern governments is difficult to predict and manage given the multi-party nature of the negotiations (including federal, territorial, and Aboriginal governments and Aboriginal organizations). Following territorial elections, newly elected representatives require time to be briefed on the issues and to consider positions. Expectations with respect to time-lines must be managed accordingly.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/nor-eng.asp

Program Activity: Healthy Northern Communities

Performance Analysis

INAC helped to reduce costs and increase consumption of nutritious perishable food in isolated Northern communities. Shipments of perishable food under the Food Mail Program increased by 11 percent in 2007–2008, due to new communities making use of the Program and increased shipments to those already using it.

Program Activity Description

Helping improve the health and well-being of Northerners through grants for hospital and physician services for Indian and Inuit residents in the Northwest Territories and Nunavut; the transportation of nutritious perishable foods and other essential items to isolated Northern communities at reduced rates; the conduct of research into the sources and effects of contaminants on the Arctic food chain; and initiatives to assist Northerners in dealing with broad issues such as the impacts of climate change.

The Governments of Nunavut and Northwest Territories continued to receive payments for the provision of hospital and physician services to First Nations and Inuit residents.

The Northern Contaminants Program (NCP) successfully engaged Northerners, and particularly Aboriginal organizations, in the participatory management of the Program. The Northern Scientific Training Program enabled approximately 400 university students to carry out studies in the Arctic through supplementary funding to offset the high costs of conducting research in the North.

The Government of Canada Program for International Polar Year (IPY) invested $150 million in science with 44 research projects generating knowledge on: the impacts of, and adaptation to, climate change, as well as data management; logistics, health, and safety; procedural requirements; training and capacity building; and, communications and outreach.

Lessons Learned

In 2007–2008 a review of the Food Mail Program was initiated. The review is taking place in the context of sharply rising fuel prices, which are increasing both food transportation costs and production costs, including the costs of obtaining traditional Aboriginal foods. While certain aspects of the Program are regularly examined, the last comprehensive review of the Food Mail Program was in 1990. The goal of the review is to assess the Food Mail Program's strengths and weaknesses, and to identify opportunities for improvements. The review will evaluate the Program's operations and consider the merits of various alternative options that could be used to achieve

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/nor-eng.asp

the Program's key objective, which is to provide healthy and affordable food to isolated, Northern communities. The results of the review will be available in 2008–2009.

Program Activity: Northern Land and Resources

Performance Analysis

INAC made significant progress on the remediation of contaminated sites in the North. Remediation was completed for 2 sites, and progress was made on remediation at 8 others. An audit by the Office of the Auditor General (OAG) on federal contaminated sites, including those for which INAC is responsible, indicated satisfactory progress and found that the program is operating within acceptable OAG standards. The Giant Mine Site now represents the largest contaminated site in the Northwest Territories (http://nwt-tno.inac-ainc.gc.ca/giant/giant-home-eng.asp). A Remediation Plan was submitted for environmental assessment and regulatory approvals. INAC continued to implement a care and maintenance program to manage the human health, safety, and environmental issues at this site.

Program Activity Description

Supporting sustainable development of the North's natural resources through improved environmental management and stewardship. This includes: the establishment of Northern resource management boards; the provision of an effective regulatory regime; the expansion of the knowledge base for sound decision-making; and the clean-up of contaminated sites.

Phase I of the Northern Regulatory Improvement Initiative for resource management in the North was completed, including the appointment of a Ministerial Special Representative who will be making recommendations for further improvements in fiscal 2008–2009.

Key advancements were made for the Mackenzie Valley Gas Project. Throughout the year, INAC specialists co-ordinated submissions, provided expertise, and facilitated the submission of scientific expertise and research results for the Joint Review Panel on the Project. Over the summer of 2007, INAC issued a total of 7 new oil and gas exploration licenses in the Mackenzie Delta, Beaufort Sea, and Central Mackenzie Valley for work expenditure bids totalling $613 million. This amount represents the exploration expenditure commitment of each winning company or consortium. One license in the Beaufort Sea attracted a record bid of $585 million for exploration work anticipated over the coming six years.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/nor-eng.asp

Lessons Learned

In 2005 the OAG released a report on the "Development of Non-Renewable Resources in the Northwest Territories". The Department has since followed up on recommendations. To build on the recommendations and advance the Northern regulatory system, given the current economic upturn in the Territories, INAC developed the Northern Regulatory Improvement Initiative. It maps out a long-term strategy for continual improvement of the regulatory system to actively foster development in a predictable and efficient manner while respecting land claims and ensuring sustainable environmental management practices.

Program Activity: Northern Economy

Performance Analysis

Across the three territories, the Strategic Investments in Northern Economic Development (SINED) program funded 124 projects worth over $20 million in 2007–2008. While each territory is unique with different priorities, all three regions shared some common priorities. For example, new investments were made in areas such as geoscience and mapping (for a publicly accessible information base) to facilitate private sector interest and exploration in the North. Removing barriers to economic development in key driver sectors of the territorial economy is expected to realize overall growth for the territorial economies.

Program Activity Description

Supporting sustainable economic growth of the territorial economies through investments in innovation and knowledge, regional development programming, advocacy, and activities leading to Northerners participating and benefiting from resource development.

In addition, investments were made to broaden the economic base of the territories. In 2007–2008 a series of new investments was made in key economic sectors such as tourism, cultural industries, and fisheries. Additional investments were made in horizontal issues such as small business financing, innovation, and the adaptation of new technologies such as Internet connectivity. These investments are expected to make broad improvements across all sectors of the economy.

Investments were also made to improve the ability of Northerners to influence and take advantage of economic opportunities. These include the purchase and/or development of new technologies such as mobile training simulators, or the Nunavut Community Skills Inventory System, which enables Northerners to become better prepared for new economic opportunities.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/hor-eng.asp

Lessons Learned

In 2007–2008 a process audit was completed of the management systems for Strategic Investments in Northern Economic Development. The audit showed that, while investments to date have demonstrated results in promoting economic development for Northerners, it was apparent that current communications practices were not sufficient; and as a result the program was not being accessed effectively by some stakeholders. This also resulted in some confusion by both government and stakeholders about the purpose and structure of the program. A more proactive communications approach has been undertaken and will continue in 2008–2009. Efforts were initiated to improve public information available on INAC's website. Program officers in the regional offices and headquarters have increased the profile of the program through outreach to partners and stakeholders.

■ Strategic Outcome: Increased Canadian Polar Knowledge

This strategic outcome is intended to increase Canadians' awareness of polar issues and help Canada maintain its position as a leading polar nation by ensuring that:

- Canadian scientists have access to funding and resources and the logistical and infrastructure support to maintain the high standards expected of Canadian polar researchers; and
- Canadians have a better understanding of the Arctic and Antarctic, of the impact of global climate change on polar regions, and of how to live and prosper sustainably in Canada's northern regions.

2007–2008						
	Financial Resources ($ millions)			Human Resources (Full-time Equivalents)		
Program Activity	Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
Research Facilitation and Communication	1.0	1.0	1.0	5.0	5.0	—

Benefits for Canadians

Increased knowledge will enable Canadians to address urgent issues, now and in the near future, in the areas of climate change, the environment, health and social stability, economic development, sovereignty and security. Excellent research is necessary to help Northerners and all Canadians adapt to changes today and tomorrow.

Description

The Canadian Polar Commission is responsible for monitoring, promoting and disseminating knowledge of the polar regions, contributing to public awareness of the importance of polar science to Canada, enhancing Canada's international profile as a circumpolar nation, and recommending polar science policy direction to government

Performance Analysis

The Commission maintained links with research organizations, disseminated polar science information through its publications and website, sponsored a northern research scholarship, is Canada's representative both to the International Arctic Science Committee (IASC) and the Scientific Committee on Antarctic Research (SCAR), supported, promoted, and advised on IPY activities, and completed its two-year study of northern research infrastructure and logistics, a step toward creation of a national polar science policy.

For detailed reporting against expected results provided in INAC's *Report on Plans and Priorities* for 2007–2008, please visit http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/cpc-eng.asp

Section 3
Supplementary Information

■ Financial Highlights

The financial highlights presented within this *Departmental Performance Report* are intended to serve as a general overview of INAC's financial position and operations. A more detailed financial statement can be found on INAC's website at: http://www.ainc-inac.gc.ca/ai/arp/pubs/fnst08/fnst08-eng.asp.

(Dollars in thousands)	% Change	2008	2007
At end of Year (March 31)			
Condensed Statement of Financial Position			
Total Assets	-2%	909,619	925,882
Total Liabilities	+8%	14,688,518	13,637,210
Total Equity	-8%	13,778,899	12,711,328
TOTAL	-2%	909,619	925,882
For the Year Ending March 31			
Condensed Statement of Operations			
Total Expenses	+25%	8,241,680	6,583,901
Total Revenues	+20%	249,115	208,120
NET COST OF OPERATIONS	+25%	7,992,565	6,375,781

The year-over-year increase of 8% in total liabilities is due mainly to the increase in the allowance for claims and litigation. The allowance for claims and litigation increased by $833.1 million (8.5%) in 2007–2008 as a result of an increase in the number of comprehensive land claims and an increase in the number of legal proceedings for claims being pursued through the courts.

The year-over-year increase of 25% in expenses is due in large part to a payment in the amount of $1.1 billion made to the Cree of Quebec regarding matters arising from the implementation of the James Bay and Northern Quebec agreements, as well as an accrual of $833.1 million for the increase in the allowance for claims and litigation as described above.

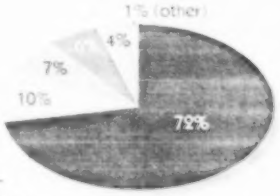
The year-over-year increase of 20% in revenues is due mainly to an increase of $45.7 million (29%) in resource royalties as a result of an increase in amounts received pursuant to contracts or regulations administered by the Department, such as the *Northwest Territories and Nunavut Mining Regulations* and the *Frontier Lands Petroleum Royalty Regulations*. Resource royalties also increased as a result of amounts received from assessments of prior years, undertaken to ensure compliance with the various regulations administered by the Department.

Assets by Type

Total assets were $909.6 million at the end of 2007–2008, a decrease of $16.3 million (2%) over the previous year's total assets of $925.9 million. Loans comprised 82% of total assets at $742.3 million. Accounts receivable of $103.2 million represented 11% of total assets, while non-financial assets of $64.1 million represented approximately 7% of total assets.

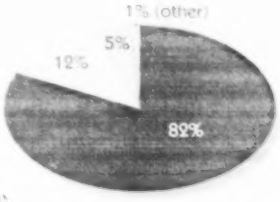
Liability by Type

Total liabilities were $14.69 billion at the end of 2007–2008, an increase of $1.05 billion (8%) over the previous year's total liabilities of $13.64 billion. The allowance for claims and litigation represents the largest portion of liabilities at $10.63 billion or 72% of total liabilities. Other significant liabilities include environmental liabilities of $1.497 billion (10%), trust accounts of $1.034 billion (7%), accounts payable of $855.6 million (6%), and settled claims in the amount of $546.3 million (4%).



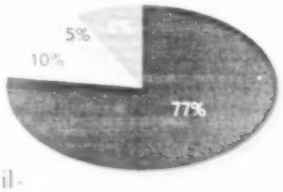
Revenues — Where Funds Come From

Total revenues amounted to $249.1 million for 2007–2008, representing a 20% increase over the previous year's revenue of $208.1 million. Resource royalties, earned pursuant to contracts or regulations such as the *Northwest Territories and Nunavut Mining Regulations* and the *Frontier Lands Petroleum Royalty Regulations*, represent the most significant source of revenue, accounting for $203.3 million or 82% of total revenues. Other sources of revenue include miscellaneous receipts of $29.7 million (12%) and interest on loans in the amount of $11.8 million (5%).



Expenses — Where Funds Go

Total expenses were $8.24 billion in 2007–2008, representing a 25% increase over the previous year's expenses of $6.58 billion. Transfer payments, the majority to Aboriginal people and Aboriginal organizations, amounted to $6.37 billion or 77% of total expenses. Expenses related to claims and litigation totalled $833.1 million in 2007–2008, accounting for 10% of total expenses, while salaries and employee benefits amounted to $399.1 million, accounting for 5% of total expenses. Other miscellaneous operating expenses of $640 million accounted for the remaining 8% of total expenses.



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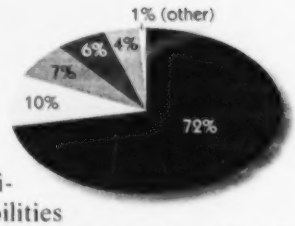

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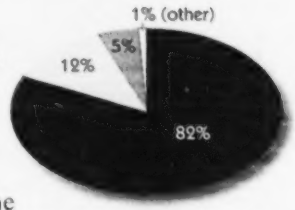

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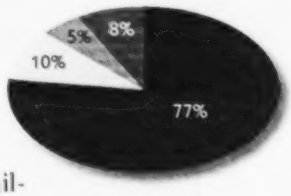

List of Tables

The Voted and Statutory Items table can be found on the departmental website at:
http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/vot-eng.asp

The following tables are located on the Treasury Board Secretariat website:
http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp

Loans, Investments and Advances
Sources of Non-Respendable Revenue
User Fees/External Fees
Details on Transfer Payments Programs
Sustainable Development Strategy
Response to Parliamentary Committees and External Audits
Internal Audits and Evaluations
Travel Policies

Horizontal Initiatives can be found on the Treasury Board Secretariat website:
http://www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp

Urban Aboriginal Strategy
Mackenzie Gas Project and Induced Exploration
First Nations Water Management Strategy
Labrador Innu Comprehensive Healing Strategy
International Polar Year

Internal Services

Internal Services, formerly known as Departmental Management and Administration, supports each of INAC's strategic outcomes. For information on the Department's Internal Services, please see http://www.ainc-inac.gc.ca/ai/arp/es/0708/07-08dpr/is-eng.asp.

Allocation Methodology

Within the government planning and budgeting process, financial human resources for Internal Services are not identified separately. These resources are attributed to strategic outcomes and program activities. This presents a challenge for INAC to provide a useful presentation of resources, given that it is primarily in the business of transferring funds to third parties for the delivery of programs and services meeting its objectives and mandate. As such, it has to ensure the proper administration of these transfers, undertake monitoring and accountability activities, and provide policy advice and other services (e.g., litigation management). It should be noted, however, that the proportion of INAC's total budget allocated to Internal Services amounts to less than 5 percent, which is comparable to other departments.

■ Contacts for Further Information

Indian and Northern Affairs Canada

Terrasses de la Chaudière
10 Wellington Street, North Tower
Gatineau, Quebec
Mailing Address: Ottawa, Ontario K1A 0H4
Internet: http://www.ainc-inac.gc.ca
E-mail: webmaster@ainc-inac.gc.ca

General and Statistical Inquiries, and Publication Distribution
Tel. (toll-free): 1-800-567-9604
TTY (toll-free): 1-866-553-0554
E-mail: InfoPubs@ainc-inac.gc.ca

Departmental Library
Tel.: 819-997-0811
E-mail: Reference@ainc-inac.gc.ca

Media Inquiries — Communications
Tel.: 819-953-1160

Canadian Polar Commission

Constitution Square
360 Albert Street, Suite 1710
Ottawa, Ontario K1R 7X7
Tel.: 613-943-8605 or (toll-free) 1-888-POLAR01 (1-888-765-2701)
Internet: http://www.polarcom.gc.ca
E-mail: mail@polarcom.gc.ca
International Polar Year website: http://www.ipy.org/